

Tokyu Corporation

Earnings Reports for the 1st quarter of year ending March, 2025

(April 1, 2024 – June 30, 2024)

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions and beliefs made by management in light of information currently available. Actual financial results may differ materially depending on a number of factors, including changing economic conditions, legislative and regulatory developments, delay in new product and service launches, and pricing and product initiatives of competitors.



SUMMARY OF FINANCIAL STATEMENTS [Japanese Accounting Standards] (Consolidated) For the First Quarter of the Fiscal Year Ending March 31, 2025

Tokyu Corporation

August 8, 2024

Stock Code:	9005	Listed exchanges:	Tokyo Stock Exchange
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Scheduled date of commencement of dividend payment:	–		
Supplementary documents:	YES		
Results briefing (for institutional investors and analysts):	NO		

* Amounts of less than ¥1 million have been rounded down.

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2025 (April 1, 2024 to June 30, 2024)

(Figures in percentages denote the year-on-year change)

1) Consolidated Operating Results

Million yen

	Three months ended June 30, 2024		Three months ended June 30, 2023	
	Change (%)		Change (%)	
Operating revenue.....	14.1	273,080	14.4	239,259
Operating profit.....	61.5	39,594	179.5	24,518
Ordinary profit.....	49.6	41,391	169.4	27,676
Profit attributable to owners of parent	49.5	29,853	174.3	19,963
Net income per share (¥).....		49.81		32.69
Net income per share (diluted) (¥).....		–		–

Note: Comprehensive Income: Three months ended June 30, 2024: ¥35,429 million [47.9%]

Three months ended June 30, 2023: ¥23,956 million [76.1%]

2) Consolidated Financial Position

Million yen

	As of June 30, 2024	As of March 31, 2024
Total assets	2,597,633	2,652,073
Net assets	861,247	830,825
Equity ratio (%).....	31.5	29.8

Reference: Shareholders' equity: First quarter ended June 30, 2024: ¥819,147 million

FY ended March 31, 2024: ¥790,499 million

Note: Tokyu Corporation applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No.27, October 28, 2022) and other standards from the beginning of the first quarter under review. All figures for the fiscal year ended March 31, 2024, have been retrospectively restated.

2. Dividends

	FY ending March 31, 2025 (forecast)	FY ending March 31, 2025	FY ended March 31, 2024
Dividend per share – end of first quarter (¥).....		–	–
Dividend per share – end of first half (¥).....	11.00		7.50
Dividend per share – end of third quarter (¥)	–		–
Dividend per share – end of term (¥).....	11.00		10.00
Dividend per share – annual (¥).....	22.00		17.50

Note: Revisions to dividend forecasts published most recently: No

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Figures in percentages denote the year-on-year change)

Million yen

	Full year	
	Change (%)	
Operating revenue	1.7	1,055,000
Operating profit	(7.3)	88,000
Ordinary profit	(9.4)	90,000
Profit attributable to owners of parent.....	(5.9)	60,000
Net income per share (¥).....		100.14

Note: Revision to consolidated business performance forecasts published most recently: No

*** Notes**

- (1) Significant changes in the scope of consolidation during the consolidated quarter (cumulative) under review: No
- (2) Application of specific accounting treatment to the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of revisions
- 1) Changes in accounting policies with revision of accounting standards, etc.: Yes
 - 2) Changes in accounting policies other than 1): No
 - 3) Changes in accounting estimates: No
 - 4) Restatement of revisions: No

(Note) For details, please see the statement under the heading, "2. Quarterly Consolidated Financial Statements and Primary Notes, (3) Notes to Quarterly Consolidated Financial Statements, (Changes in Accounting Policies)" on page 7 of the accompanying materials.

(4) Number of shares issued (common stock)

- 1) Number of shares issued at the end of the term (including treasury stock) (shares)
As of June 30, 2024: 624,869,876 As of March 31, 2024: 624,869,876
- 2) Number of treasury stock at the end of the term (shares)
As of June 30, 2024: 25,335,616 As of March 31, 2024: 25,733,223
- 3) Average numbers of shares issued during the terms (quarterly consolidated accumulation periods) (shares)
Three months ended June 30, 2024: 599,352,595
Three months ended June 30, 2023: 610,615,470

(Note) Treasury stock numbers include shares of the Company held by a group of shareholding employees in trust and compensation for Directors in trust, as follows:
As of June 30, 2024: 370,500 shares As of March 31, 2024: 769,000 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Explanations about the proper use of financial forecasts and other important notes
(Notes on forecast results)

The forecast results presented above are based on the information available on the date of this announcement and assumptions that are considered reasonable.

Actual results may differ materially from the forecasts depending on a number of factors.

For details on the forecast results, please see the "Summary of Results for the First Quarter of FY2024."

(Method of acquiring supplementary results documents)

The "Summary of Results for the First Quarter of FY2024" will be disclosed on Timely Disclosure network (TDnet) and the Company's own IR website today (August 8, 2024).

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1. Overview of Financial Results, etc.

The details were disclosed today (August 8, 2024) on Timely Disclosure network (TDnet) and are also available in the “Summary of Results for the First Quarter of FY2024” on the Company’s own IR website.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

Millions of yen

	As of March 31, 2024	As of June 30, 2024
Assets		
Current Assets		
Cash and deposits	¥ 43,351	¥ 41,396
Trade notes and accounts receivable	194,948	156,174
Contract assets	7,826	6,045
Merchandise and products	8,957	9,312
Land and buildings for sale	121,853	112,139
Work in progress	3,531	5,707
Raw materials and supplies	9,210	9,930
Other current assets	54,395	54,166
Allowance for doubtful accounts	(898)	(884)
Total current assets	443,177	393,989
Non-current Assets		
Property, plant and equipment		
Buildings and structures, net	845,393	840,172
Rolling stock and machinery, net	75,876	73,757
Land	723,417	723,587
Construction in progress	149,614	150,022
Others, net	26,288	25,824
Total property, plant and equipment	1,820,589	1,813,364
Intangible assets	40,108	39,725
Investments and other assets		
Investment securities	248,486	251,479
Net defined benefit asset	17,761	17,779
Deferred tax assets	13,234	11,057
Other assets	69,438	71,061
Allowance for doubtful accounts	(723)	(824)
Total investments and other assets	348,197	350,553
Total non-current assets	2,208,896	2,203,643
Total Assets	¥ 2,652,073	¥ 2,597,633

Millions of yen

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current Liabilities		
Trade notes and accounts payable	¥ 108,547	¥ 90,450
Short-term borrowings	378,062	306,867
Commercial papers	20,000	70,000
Current portion of bonds payable	20,000	10,000
Income taxes payable	22,804	8,603
Contract liabilities	45,223	45,997
Provisions	12,675	8,680
Advances received	9,127	9,251
Other current liabilities	126,681	100,945
Total current liabilities	743,123	650,795
Long-Term Liabilities		
Bonds payable	300,000	290,000
Convertible bonds with share acquisition rights	60,000	60,000
Long-term borrowings	477,464	490,911
Provisions	2,645	2,597
Liabilities for retirement benefit	31,819	32,263
Long-term guarantee deposits received	137,130	139,592
Deferred tax liabilities	17,270	17,901
Deferred tax liabilities from land revaluation	4,410	4,410
Other long-term liabilities	44,873	46,029
Total long-term liabilities	1,075,614	1,083,707
Special Legal Reserves		
Urban railways improvement reserve	2,510	1,882
Total Liabilities	1,821,248	1,736,385
Net Assets		
Shareholders' Equity		
Common stock	121,724	121,724
Capital surplus	123,366	123,366
Retained earnings	527,227	551,068
Treasury stock	(45,818)	(45,230)
Total shareholders' equity	726,501	750,930
Accumulated Other Comprehensive Income		
Net unrealized gains (losses) on investment securities	21,468	21,216
Deferred gains (losses) on hedges	919	1,176
Land revaluation reserve	5,662	5,659
Foreign currency translation adjustment	18,818	23,424
Remeasurements of defined benefit plans	17,129	16,739
Total accumulated other comprehensive income	63,998	68,217
Non-Controlling Interests	40,325	42,100
Total Net Assets	830,825	861,247
Total Liabilities and Net Assets	¥ 2,652,073	¥ 2,597,633

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statements of Comprehensive Income

(Quarterly Consolidated Statements of Income)

Millions of yen

	April 1, 2023 to June 30, 2023	April 1, 2024 to June 30, 2024
Operating Revenue	¥ 239,259	¥ 273,080
Operating expenses		
Operating expenses and cost of sales related to transportation	160,741	178,046
Selling, general and administrative expenses	54,000	55,438
Total operating expenses	214,741	233,485
Operating Profit	24,518	39,594
Non-operating profit		
Interest income	137	119
Dividend income	518	591
Share of profit of entities accounted for using equity method	4,550	2,853
Other non-operating profit	1,764	1,723
Total non-operating profit	6,971	5,288
Non-operating expenses		
Interest expenses	2,162	2,114
Other non-operating expenses	1,649	1,376
Total non-operating expenses	3,812	3,491
Ordinary Profit	27,676	41,391
Extraordinary gains		
Gains on sale of property, plant and equipment	15	42
Subsidies received for construction	153	161
Subsidy income	85	391
Gain on reversal of urban railways improvement reserve	627	627
Gain on sale of investment securities	828	–
Other	12	223
Total extraordinary gains	1,723	1,445
Extraordinary losses		
Tax purpose reduction entry of land contribution for construction	121	130
Loss on tax purpose reduction entry of non-current assets	86	396
Loss on retirement of property, plant and equipment	741	318
Other	88	165
Total extraordinary losses	1,038	1,010
Profit before Income Taxes	28,362	41,826
Income taxes	7,921	11,723
Profit	20,440	30,103
Profit attributable to non-controlling interests	476	249
Profit attributable to owners of parent	¥ 19,963	¥ 29,853

(Quarterly Consolidated Statements of Comprehensive Income)

Millions of yen

	April 1, 2023 to June 30, 2023	April 1, 2024 to June 30, 2024
Profit	¥ 20,440	¥ 30,103
Other comprehensive income		
Net unrealized gains (losses) on investment securities	1,924	310
Deferred gains (losses) on hedges	0	61
Foreign currency translation adjustment	751	3,371
Remeasurements of defined benefit plans, net of tax	4	(381)
Share of other comprehensive income of entities accounted for using equity method	835	1,963
Total other comprehensive income	3,516	5,325
Comprehensive Income	¥ 23,956	¥ 35,429
Total comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	¥ 23,190	¥ 34,073
Comprehensive income attributable to non-controlling interests	¥ 765	¥ 1,355

(3) Notes to Quarterly Consolidated Financial Statements

(Changes in Accounting Policies)

Tokyu Corporation applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No.27, October 28, 2022; hereafter, the "Revised Accounting Standard 2022") and other standards from the beginning of the first quarter under review.

Regarding the amendment to the accounting classification for current income taxes (imposed on other comprehensive income), the Company adheres to the transitional treatments prescribed in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the proviso of Paragraph 65-2, Item (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereafter, the "Revised Guidance 2022"). These changes in accounting policies have no impact on the consolidated financial statements.

Regarding the amendment to the review of the treatment of gains or losses on sales arising from the sales of shares, etc. in subsidiaries between consolidated companies in the consolidated financial statements, where such gains or losses are deferred for tax purposes, the Company applied the Revised Guidance 2022 from the beginning of the first quarter under review. These changes in accounting policies have been applied retrospectively; accordingly, the quarterly consolidated financial statements and the consolidated financial statements for the previous year presented here reflect this retrospective application. As a result, compared to the figures prior to the retrospective application, "Deferred tax liabilities" decreased by ¥1,243 million, while "Retained earnings" increased by ¥1,243 million in the consolidated balance sheet as of March 31, 2024.

(Notes on Segment Information)

I. April 1, 2023 to June 30, 2023

1. Information relating to operating revenue and profit or loss by reportable segment

Millions of yen

	Reportable segment				Total	Adjustments (Note) 1	Amount posted in the consolidated statement of income (Note) 2
	Transportation Business	Real Estate Business	Life Service Business	Hotel and Resort Business			
Operating revenue							
Outside customers	50,532	47,540	119,153	22,033	239,259	–	239,259
Inter-segment internal revenues or transfers	544	8,415	3,806	2,499	15,264	(15,264)	–
Total	51,077	55,955	122,959	24,532	254,524	(15,264)	239,259
Segment profit (loss)	9,556	11,711	2,394	827	24,490	27	24,518

Notes

1. An adjustment of ¥27 million in segment profit represents elimination of inter-segment transactions.
2. Segment profit has been adjusted with the operating profit recorded in the quarterly consolidated statements of income.

II. April 1, 2024 to June 30, 2024

1. Information relating to operating revenue and profit or loss by reportable segment

Millions of yen

	Reportable segment				Total	Adjustments (Note) 1	Amount posted in the consolidated statement of income (Note) 2
	Transportation Business	Real Estate Business	Life Service Business	Hotel and Resort Business			
Operating revenue							
Outside customers	52,682	69,313	121,294	29,790	273,080	–	273,080
Inter-segment internal revenues or transfers	942	11,410	4,211	219	16,783	(16,783)	–
Total	53,624	80,724	125,505	30,009	289,864	(16,783)	273,080
Segment profit	11,789	20,936	4,672	2,186	39,585	9	39,594

Notes

1. An adjustment of ¥9 million in segment profit represents elimination of inter-segment transactions.
2. Segment profit has been adjusted with the operating profit recorded in the quarterly consolidated statements of income.

2. Matters related to changes, etc. in reportable segments

Effective from the first quarter under review, the hotel business previously recorded under the Real Estate Business have been reclassified to the Hotels and Resort Business. This change is intended to enhance operational efficiency by consolidating hotel management functions.

Segment information for the first quarter of the previous fiscal year has also been prepared and presented in accordance with the new classification.

(Notes If There Is a Considerable Change to Shareholders' Equity)

No items to report.

(Notes Regarding the Premise of a Going Concern)

No items to report.

(Notes to Statement of Cash Flows)

The consolidated statement of cash flows for the first quarter under review has not been prepared. Depreciation and amortization (including amortization of intangible assets, with goodwill excluded) and amortization of goodwill for the first quarters of FY2023 and FY2024 were as follows:

	Millions of yen	
	April 1, 2023 to June 30, 2023	April 1, 2024 to June 30, 2024
Depreciation and amortization	¥ 21,008	¥ 20,923
Amortization of goodwill	7	31